

# THE TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 1193.  
FILED, NOVEMBER 5th, 1964.

## AGNICO MINES LIMITED

Full corporate name of Company  
Incorporated under the laws of the Province of Ontario  
by Letters Patent dated January 21, 1953

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953  
(Ontario) by Letters Patent dated May 1st, 1957).

Reference is made to Filing  
Statement No. 925 and Amending  
Filing Statement No. 131.

## FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things, an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	Underwriting Agreement respecting Treasury shares.
2. Head office address and any other office address.	Head Office - 62 Richmond Street West, Toronto 1, Ontario Mine Office - Cobalt, Ontario
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	<p>President &amp; Director - Norman B. Sheriff, 8 Whitmore Avenue, Toronto 10, Ontario, Prospector and Company Executive.</p> <p>Vice-President and Managing Director - Paul Penna - office - Suite 201C, 62 Richmond Street, West, Toronto 1, Ontario, Underwriter.</p> <p>Secretary-Treasurer and Director - C. Marshall Hames, 4000 Yonge Street, Toronto, Ontario, Solicitor.</p> <p>Director - Irving Dobbs, 37 Wasdale Crescent, Toronto 19, Ontario, Insurance Agent.</p> <p>Director - Milton Klyman, 21 Wembley Road, Forest Hill, Toronto, Ontario, Chartered Accountant.</p> <p>Director - John L. Vorbach, Jr., 100 William Street, New York 38, N.Y., U.S.A. Insurance Broker.</p> <p>Director - James E. Armstrong, Cobalt, Ontario, Consulting Engineer.</p>
4. Share capitalization showing authorized and issued and outstanding capital.	<p>Authorized: 5,000,000 shares of \$1.00 par value each.</p> <p>Issued: 2,834,327 shares.</p>
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	Nil
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	By agreement dated November 3, 1964 made by the Company with S. J. Brooks & Co., 185 Bay Street, Toronto 1, Ontario, a member of The Toronto Stock Exchange, acting for two (2) clients, S. J. Brooks & Co. has agreed to purchase upon and subject to acceptance of this Filing Statement, 400,000 shares of the Company from Treasury at 60¢ per share payable forthwith and a further 200,000 shares of the Company from Treasury at 70¢ per share payable forthwith.



7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	S.J. Brooks & Co. has entered into the agreement referred to in Item 6 on behalf of its clients, Jakmin Investments Limited, 62 Richmond Street West, Toronto, Ontario as to an undivided two-thirds (2/3rds) interest therein and Craybor Development Limited, 3101 Bathurst Street, Toronto 19, Ontario as to an undivided one-third (1/3rd) interest therein. The person owning a greater than five per cent (5%) interest in Jakmin Investments Limited is Paul Penna, Suite 201C, 62 Richmond Street West, Toronto 1, Ontario. The persons owning a greater than five per cent (5%) interest in Craybor Development Limited are Bernard Kraft, 11 Shallmar Blvd., Toronto, Ontario and Louis Scott, 8-7th Street, Noranda, Quebec.		
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None		
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	The Company intends to continue its present mining, milling and exploration operations in the Cobalt area of Ontario. The proceeds of the sale of the Treasury shares mentioned in item 6 will be used to finance these operations.		
10. Brief statement of company's chief development work during past year.	During the past year the Company has carried on extensive silver mining, milling and exploration operations in the Cobalt area of Ontario.		
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	None		
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	N/A		
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	None		
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	None		
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<u>Registered Holder</u>	<u>No. of Shares</u>	<u>Beneficial Owner</u>
	1. Doherty, Roadhouse & McCuaig Bros., 335 Bay Street, Toronto, Ontario	425,162	not known
	2. S.J. Brooks & Co., 185 Bay Street, Toronto, Ontario	106,004	" "
	3. Bache & Co., 360 Bay Street, Toronto, Ontario	72,246	" "
	4. Thomson Kernaghan & Company Limited, 365 Bay Street, Toronto, Ontario	70,062	" "
	5. Roytor & Company, Number 1 Account, c/o The Royal Bank of Canada, 2 King St. E., Toronto, Ontario	65,285	" "



# FINANCIAL STATEMENTS

## AGNICO MINES LIMITED

(Incorporated under the Laws of the Province of Ontario)

BALANCE SHEET AS AT SEPTEMBER 30, 1964

### ASSETS

#### Current Assets

Cash	\$ 30,607	
Metal settlements outstanding and metals on hand, at estimated net realizable value	318,281	
Accounts receivable	<u>17,279</u>	\$366,167

Investments, in wholly owned subsidiaries, at nominal value

2

#### Fixed Assets

Mining properties, at cost	328,561	
Buildings, machinery and equipment (Note)	\$1,598,550	
Less: Accumulated depreciation	<u>1,475,256</u>	<u>123,294</u>
		451,855

#### Other Assets and Deferred Charges

Mine supplies, at cost	23,145	
Prepaid expenses and deposits	32,249	
Deferred operating expenses	<u>4,450</u>	<u>59,844</u>

#### TOTAL ASSETS

\$877,868

### LIABILITIES

#### Current Liabilities

Accounts and payrolls, payable and accrued	84,805
Royalty income received in advance	<u>6,280</u>

#### TOTAL LIABILITIES

\$ 91,085

#### Shareholders' Equity

##### Capital stock:

Authorized - 5,000,000 shares, par value \$1.00 each

Issued as fully paid - 2,834,327 shares

Less: Discount thereon

2,834,327
<u>833,650</u>
2,000,677
<u>1,213,894</u>

Deficit

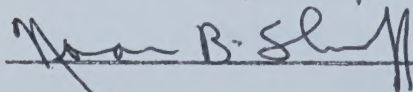
786,783

#### TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY

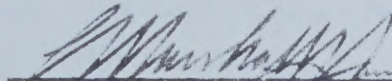
\$877,868

NOTE: Buildings, machinery and equipment are valued on the basis of appraisal made in 1953 with subsequent additions and disposals recorded at cost.

Approved on behalf of the Board of Directors:



Director



Director

Interim statement, subject to year end audit and adjustment.

### STATEMENT OF DEFICIT

FOR 9 MONTHS ENDED SEPTEMBER 30, 1964

Balance, January 1, 1964	\$1,205,688
Add: Net loss for period	<u>8,206</u>
Balance, September 30, 1964	<u>\$1,213,894</u>

Interim statement, subject to year end audit and adjustment.



AGNICO MINES LIMITEDSTATEMENT OF OPERATIONSFOR 9 MONTHS ENDED SEPTEMBER 30, 1964Revenue

Metal production (less smelter and marketing costs)	\$724,506	
Custom milling	96,760	
Interest earned	1,296	
Rentals and royalties	<u>11,595</u>	\$834,157

Operating Expenses

Exploration, development and mining	605,383	
Hauling ore and concentrates	38,595	
Milling	158,398	
Rentals and royalties	8,344	
Administrative and corporate expenses	<u>31,643</u>	<u>842,363</u>

NET LOSS (before depreciation) \$ 8,206

NOTE: Supervision, mine office and general expenses at property in the amount of \$112,130 have been allocated to the individual mine operating expenses

Interim statement, subject to year end audit and adjustment.

STATEMENT OF SOURCE AND APPLICATION OF FUNDSFOR 9 MONTHS ENDED SEPTEMBER 30, 1964SOURCE OF FUNDS

\$ Nil

APPLICATION OF FUNDS

Net loss for period (before depreciation)	\$ 8,206
Additions to buildings, machinery and equipment less disposals	<u>5,922</u>
	<u>14,128</u>
Less: Decrease in other assets	<u>10,067</u>

DECREASE IN WORKING CAPITAL

4,061

Working capital, January 1, 1964 279,143

Working capital, September 30, 1964 \$275,082

Approved on behalf of the Board of Directors:

Wm B. Shiff Director

P Marshall Jones Director

Interim statement, subject to year end audit and adjustment.



# ENGINEER'S REPORT

## AGNICO MINES LIMITED

### PROPERTY

Agnico Mines Limited holds several developed and partially developed properties and other groups of claims in the Cobalt, Ontario area.

Producing operations are being conducted principally at the Christopher mine, 3 miles southeast of Cobalt, and the O'Brien mine, 1 mile east of Cobalt. Milling operations are being conducted in a modern mill built in 1957 with a capacity of approximately 300 tons per day. This plant is located on the former Foster property.

### OPERATIONS

At present, Agnico Mines Limited is treating approximately 6000 tons of ore per month, 3000 tons from the Christopher mine, and 3000 tons from the O'Brien mine. In addition to this, approximately 3000 tons of custom ore are being milled per month.

These operations have been making a small operating profit which, to the present, has been used to carry on exploration work on other property holdings of the Company, principally on claim 407, the west Cart Lake holdings, and the Ibsen-Professor group.

These exploration programmes, particularly on the 407 claim, and the west Cart Lake holdings, have recently met with success which justifies expenditures over the next 9 to 12 months considerably in excess of the expected profits from the normal operation.

### PROPOSED EXPLORATION AND DEVELOPMENT PROGRAM

#### 407 Property

During the past three months four silver bearing veins have been located on this property by diamond drilling. These are in addition to the fifth or north vein which is already providing some ore for the mill.

Silver intersections in these new veins vary from narrow high grade assaying more than 5,000 ounces per ton over 0.1 foot widths to 30.8 ounces per ton over 14 foot widths. The vein structures appear to have a general east-west strike and appear to be concentrated in the Cobalt Series sediments which have an average thickness of about 100 feet in this area. There appears to be a trough like structure present in the underlying Keewatin here but its detail has not yet been completely defined.

Although probable tonnage and grade of ore in this area cannot be estimated from the work done to date the drilling results are such that it warrants detailed development work.

To develop this area requires deepening the present 407 shaft from the present 300' level to provide new levels at the 360' and 440' horizons. It will require 770' of crosscutting on the 360' level and 1050' on the 440' level to reach the veins. At least 1200' of drifting and 750' of raising will be required to develop these veins.

It is estimated that the above program will require 9 months time to complete and it should be regarded as a minimum one.



#### CART LAKE #2 SHAFT AREA

In this area a recent surface diamond drill hole (No. 4 in the present programme) obtained a significant intersection at the depth of 68 feet in the hole. It consisted of  $1\frac{1}{2}$  inches of solid metallic silver with adjacent wallrock carrying visible silver for 2 feet on either side of the vein. A second intersection containing sand and weathered breccia material assayed 70.9 ounces of silver per ton. This leached section matches up with a similar section at 130' in hole No. 3, which assayed 189.8 ounces of silver per ton.

The silver enrichment appears to be concentrated in the Cobalt Series sediments above the Keewatin contact which is dipping down to the east at about 30 degrees.

To develop this area it is proposed to rehabilitate the Cart Lake #2 shaft down to the 98 foot level and do a minimum of 600 feet of drifting and crosscutting and 100 feet of raising.

#### IBSEN-PROFESSOR AREA

Diamond drilling here from the west crosscut heading has intersected several strong calcite veins with the strongest occurring at 638 feet. To date, no appreciable silver assays have been obtained but the vein structure appears similar and probably parallel to the very productive No. 7 vein system.

To determine the merits of this zone it is proposed to do a minimum of 1040 feet of drifting and crosscutting in this area.

#### SURFACE DIAMOND DRILLING EXPLORATION

It is proposed to continue to explore by surface diamond drilling the very large unexplored potential areas held by Agnico Mines Limited.

This program for the next 9 to 12 months includes the following areas:

1. The Nipissing property, east, west, and north of Cart Lake.

It is proposed to do approximately 6000 feet of surface diamond drilling in the area.

2. The Aganico Mine property - to explore for veins extending southeast associated with the diabase dyke and beyond that covered by the present underground workings. The surface plant at this property is intact and if the surface drilling meets with success, production could be achieved quickly from this property. It is proposed to do approximately 6000 feet of surface diamond drilling here.

#### COBALT LAKE TAILINGS RECLAMATION

There is approximately 1,000,000 tons of tailings from various milling operations in the bed of Cobalt Lake owned by Agnico Mines Limited. Grade of these tailings is estimated to be a little over 4 ounces of silver per ton.



The most recent test work on bulk lots of seven to ten tons of these tailings obtained a recovery of 60% by flotation without regrinding and a concentrate assaying from 350 to 400 ounces of silver per ton was produced by cleaning.

With the price of silver now at \$1.40 Can. per ounce it is recommended that a little further test work be done to determine if regrinding a portion of the tailings would raise the recovery sufficiently to justify the extra cost of grinding.

However, with a 60% recovery by flotation without regrinding and a price of \$1.40 per ounce for silver a good profit is indicated.

The Company has a building available to house the necessary mill equipment.

Cost of test work and equipment necessary to process these tailings at a rate of 1000 tons per day would probably be about \$325,000.

ESTIMATED COST OF PROPOSED EXPLORATION AND DEVELOPMENT  
PROGRAM

<u>1. 407 Property</u>	<u>Cost</u>	<u>Totals</u>
(a) Shaft deepening - 137' @ \$140.00 ft.	\$19,180.00	
2 Stations	4,320.00	
Crosscutting - 1820' @ \$25.00	45,500.00	
Drifting - 1200' @ \$25.00	30,000.00	
Raising - 750' @ \$20.00	15,000.00	
	\$114,000.00	
General Mine Expense	17,100.00	
	\$131,100.00	
Contingencies 10%	13,100.00	
	\$144,200.00	\$144,200.00
(b) <u>Equipment Additions (used)</u>		
1 Trammer	\$ 5,000.00	
12 Muck Cars @ \$200.00	2,400.00	
2 Mucking Machines @ \$2500.	5,000.00	
4 Rock Drills @ \$900.00	3,600.00	
2 Slushers @ \$1,000	2,000.00	
Miscellaneous Small Tools	500.00	
Repair & Maintenance	4,000.00	
	\$ 22,500.00	
Contingencies 20%	4,500.00	
	\$27,000.00	27,000.00
(c) <u>Plant &amp; Buildings</u>		
Ore Bin	\$ 3,000.00	
Shaft House (sheeting)	5,000.00	
Dry (change house)	5,000.00	
Signals	700.00	
Electric Pump Installation	3,500.00	
Temporary Ventilation	2,000.00	
	\$19,200.00	
Contingencies 10%	1,900.00	
	\$21,100.00	21,100.00
Total for 407 Property Development		\$192,300.00



## 2. Cart Lake #2 Shaft Development

	<u>Cost</u>	<u>Totals</u>
<u>(a) Buildings (Minimum)</u>		
Hoist House	\$ 1,500.00	
Dry (change house) ,	1,500.00	
Headframe (65') base	5,000.00	
Small Ore Bin	1,500.00	
	9,500.00	
Contingencies 10%	1,000.00	
	<u>\$10,500.00</u>	\$10,500.00
<u>(b) Equipment</u>		
Air Hoist (10x12)	\$ 3,500.00	
Cage	2,000.00	
Sheave Wheel	300.00	
Hoisting Cable	200.00	
Signals (mechanical)	100.00	
Stove and Tank	300.00	
2 Air Pumps @ \$600.00	1,200.00	
6" Compressed Air Line (3000' @ \$3.00)	9,000.00	
Repairs to Equipment	1,000.00	
	<u>\$17,600.00</u>	
Contingencies 20%	3,500.00	
	<u>\$21,100.00</u>	21,100.00
<u>(c) Rehabilitation</u>		
Access Road	\$ 2,000.00	
Concrete Collar	500.00	
Guides & Timber to 98' level	2,000.00	
Dewatering	4,000.00	
Pipes	1,000.00	
98' level Rehabilitation	1,500.00	
	<u>\$11,000.00</u>	
Contingencies 20%	2,200.00	
	<u>\$13,200.00</u>	13,200.00
<u>(d) Exploration and Development</u>		
Drifting & Crosscutting - 600' @ \$30.00	\$ 18,000.00	
Raising 100' @ \$20.00	2,000.00	
	<u>20,000.00</u>	
General Mine Expense	3,000.00	
	<u>\$ 23,000.00</u>	
Contingencies 10%	2,300.00	
	<u>\$ 25,300.00</u>	25,300.00
Total for Cart Lake #2 Shaft Development		<u>\$70,100.00</u>

## 3. Ibsen-Professor Area Development

	<u>Cost</u>	<u>Totals</u>
Drifting & Crosscutting - 1040' @ \$30.00	\$ 31,200.00	
General Mine Expense	4,800.00	
	36,000.00	
Contingencies 10%	3,600.00	
Total for Ibsen-Professor Area Development	<u>\$ 39,600.00</u>	\$ 39,600.00



4. Surface Diamond Drilling  
Exploration

(a) Nipissing Properties - 6000'	
@ \$4.00	24,000.00
(b) Aganico Mine Area - 6000'	
@ \$4.00	<u>24,000.00</u>

Total for Surface Diamond Drilling Exploration	\$ 48,000.00	48,000.00
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5. Cobalt Lake Tailings Reclamation

(a) Test Work & Engineering Design	25,000.00
(b) Preliminary estimated cost to put into production	<u>300,000.00</u>

Total for Cobalt Lake Tailings Reclamation		<u>325,000.00</u>
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Grand Total for Proposed Development Programme and Cobalt Lake Tailings Reclamation.		<u>\$675,000.00</u>
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CONCLUSIONS AND RECOMMENDATIONS

The results obtained in recent exploration work justifies the program of development work outlined above.

The program is recommended as a minimum one and as being subject to change and extension depending on results obtained as work progresses.

It is likely that some mining operations can be conducted from the areas during the development period, proceeds from which might help to meet a portion of the cost of the program.

*Walter F. Brown*

Toronto, Ontario,  
November 3, 1964.

Walter F. Brown, B.Sc. P. Eng.

CERTIFICATE

I, Walter F. Brown, of the City of Toronto, in the Province of Ontario, Canada, do hereby certify that:

1. I am a Mining Engineer residing at 24 Truman Road, Willowdale, Ontario, with office at Suite 1504, 320 Bay Street, Toronto, Ontario.
2. I am a graduate of McGill University, with the degree of Bachelor of Science in Mining Engineer (1929).
3. I am a member of the Association of Professional Engineers of Ontario and have been practising my profession continuously since graduation.
4. I have no personal interest, either directly or indirectly in the properties or securities of Agnico Mines Limited and do not expect to receive any such interest.
5. This report on Agnico Mines Limited in the Cobalt area, Ontario is based on visits to the property in the months of January, August and October 1964; personal estimates and assumptions, and information obtained from the officials and operating staff of Agnico Mines Limited.

*Walter F. Brown*

Toronto, Ontario,  
November 3, 1964.

Walter F. Brown, B.Sc., P. Eng.



16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	No person or persons have shareholdings large enough to materially affect control of the Company; however, present management may be in a position to maintain control if it is able to obtain sufficient proxies from other shareholders.			
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	<u>Company</u>	<u>No. of Shares</u>	<u>Cost</u>	<u>Market Value</u>
	Cobalt Properties Limited	25,000	\$1.00	nil
	Medusa Mines Limited	34,003	\$1.00	nil
18. Brief statement of any lawsuits pending or in process against company or its properties.	There are no lawsuits pending or in process against the Company or its properties. The Company has instituted proceedings against Hi Ho Silver Mines Limited in respect of the agreement referred to in item 19(b) hereof.			
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	(a) Agreement dated April 10, 1963 with Kirkland Townsite Gold Mines Limited, whereby the Company leased to Kirkland Townsite its Gilgreer property in the Cobalt area of Ontario, upon the terms, considerations and conditions set out in the said agreement. Kirkland Townsite among other things has agreed to pay the Company a royalty of 10% of all smelter returns on ores shipped from the property, but in any event the minimum monthly royalty shall be at least \$1,000.00 during the term of the lease.  (b) By agreement dated May 17, 1963 between the Company and Hi Ho Silver Mines Limited, the Company leased to Hi Ho its Penn Canadian property upon the following terms and conditions:  1. for a period of two years, renewable for further periods of one year up to a maximum period of ten years, provided that active mining is being carried on at the end of each renewal period;  2. a minimum annual rental of \$10,000.00 cash;  3. a royalty of 10% of the net smelter returns on all ore shipped from the property. The payment of the minimum rental of \$10,000.00 per year shall be applied against any royalty payments to be made by Hi Ho; and  4. an undertaking to expend at least \$25,000.00 on the property in each year of the term of the lease.			
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	There are no other material facts to report. The shares of the Company purchased under the above mentioned Underwriting Agreement will be in primary distribution to the public.			

DATED November 3, 1964

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

"N.B. Sheriff"

Per: [Signature]

AGNICO MINES LIMITED  
CORPORATE SEAL

"C.M. Hames"

Per: [Signature]

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)

S. J. BROOKS & CO.

"E.E. Lewis"

Per: [Signature]



# THE TORONTO STOCK EXCHANGE

FILING STATEMENT NO. 1581.  
FILED, NOVEMBER 9th. 1967.

## AGNICO MINES LIMITED

Full corporate name of Company

Incorporated under the laws of the Province of Ontario by  
Letters Patent dated January 21, 1953.

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953  
(Ontario) by Letters Patent dated May 1st, 1957).

Reference is made to previous  
Filing Statement No. 1193.

## FILING STATEMENT

(To be filed with respect to any material change in a company's affairs, including among other things,  
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.	Participation in financing of Eagle Gold Mines Limited involving purchase by Company for investment purposes only of 200,000 treasury shares of Eagle Gold Mines Limited as more particularly referred to in Schedule "A" annexed hereto. See Schedule "A" on page 3.
2. Head office address and any other office address.	Head Office - Suite 1101, 365 Bay Street, Toronto 1, Ontario Mine Office - Cobalt, Ontario
3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.	President and Director - Norman B. Sheriff, 8 Whitmore Avenue, Toronto, Ontario - Mining Executive Vice-President and Managing Director - Paul Penna, 50 Godfrey's Lane, Port Credit, Ontario - Underwriter Secretary-Treasurer and Director - Bernard Kraft, 106 Chiltern Road, Toronto, Ontario - Chartered Accountant Director - John L. Vorback, Jr., 100 William Street, New York, N.Y. - Insurance Broker Director - Milton Klyman, 21 Wembley Road, Toronto, Ontario - Chartered Accountant Director - Julius Osheroff, 41 Ridgevale Drive, Toronto, Ontario Executive Director - Archie Basen, 29 Hilltop Road, Toronto, Ontario - Industrialist
4. Share capitalization showing authorized and issued and outstanding capital.	Authorized: 5,000,000 shares of \$1.00 par value each. Issued: 3,434,327 shares.
5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.	NIL
6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.	NIL
7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.	NIL
8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.	None.
9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.	Commencement of mining at the 407 Shaft property and diamond drilling on the 96 Tunnel property at Cobalt, Ontario. Continuance of operations at the Company's tailing reclamation plant at Cobalt, Ontario. Participation in the financing of Eagle Gold Mines Limited as stated in item 6 hereof. The proceeds from the sale of the treasury shares of Eagle Gold Mines Limited, pursuant to the underwriting agreements referred to in item 6 hereof, will be expended in carrying out the further exploration and development of Eagle Gold Mines Limited's Joutel Township, P.Q., Group II property, as recommended by Walter Brown, P. Eng., Eagle Gold Mines Limited's Consulting Mining Engineer. Reference is hereby made to the Report of the said Walter Brown, dated October 19, 1967, a copy of which is annexed hereto and forms part hereof.



10. Brief statement of company's chief development work during past year.	Diamond drilling and exploration work on 150 Shaft property, Short Lake property and 96 Tunnel property at or near Cobalt, Ontario.		
11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.	Eagle Gold Mines Limited, Suite 1101, 365 Bay Street, Toronto, Ontario. 200,000 treasury shares at \$1.30 per share for a total consideration of \$260,000.00.		
12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company.	To the knowledge of the signatories hereto, Mentor Exploration and Development Co. Limited, Suite 1101, 365 Bay Street, Toronto, Ontario is the only person having a greater than 5% interest in Eagle Gold Mines Limited. Messrs. Paul Penna and Archie Basen, who are directors of Agnico Mines Limited, are also directors of Eagle Gold Mines Limited.		
13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.	None.		
14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)	N/A		
15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state.	<u>Registered Shareholder</u>	<u>Address</u>	<u>No. of Shares</u>
	Roytor & Co.  (beneficial ownership unknown)	c/o The Royal Bank of Canada 20 King Street West Toronto, Ontario	151,685
	Merrill Lynch Pierce Fenner & Smith, Inc.  (beneficial ownership unknown)	11 King Street West Toronto, Ontario	73,729
	Bache & Co. and Bache & Co. Inc.  (beneficial ownership unknown)	360 Bay Street Toronto, Ontario	62,647
	Bacon Whipple  (beneficial ownership unknown)	135 South La Salle Street Chicago, Illinois, U.S.A.	53,600
	James Davidson and Patrick E. Hayes, Esq.  (beneficially owned by Sudbury Contact Mines Limited)	City Hall Branch Canadian Imperial Bank of Commerce Toronto, Ontario	52,660
16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.	No person or persons have shareholdings large enough to materially affect control of the Company. However, present management may be in a position to maintain control if it is able to obtain sufficient proxies from other shareholders.		
17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.	Investments held by Company in shares of other Companies at date hereof:		
	<u>Company</u>	<u>No. of Shares</u>	<u>Cost</u> <u>Market Value</u>
	Leitch Gold Mines Limited	7,000	\$11,367.40      \$62,300.00
	Sale of securities by Company subsequent to September 30, 1967 to date:		
	<u>Company</u>	<u>No. of Shares</u>	<u>Proceeds of Sale</u>
	Leitch Gold Mines Limited	1,300	\$10,790.20
	The Patino Mining Corporation	6,000	71,744.20
			<u>\$82,534.40</u>



SCHEDULE "A"  
TO THE FILING STATEMENT  
OF  
AGNICO MINES LIMITED

Pursuant to an Agreement in writing made as of the 31st day of October, 1967, between Eagle Gold Mines Limited and E.H. Pooler & Co. Limited, 302 Bay Street, Toronto, Ontario, as Underwriter, Draper, Dobie & Company Limited, 25 Adelaide Street West, Toronto, Ontario, as Underwriter, and E.T. Lynch & Co. Ltd., 10 Victoria Street, Toronto, Ontario, as Underwriter, E.H. Pooler & Co. Limited, acting on behalf of its client Agnico Mines Limited agreed to purchase 100,000 fully paid and non-assessable shares in the capital of Eagle Gold Mines Limited at the price of \$1.30 per share, such shares being purchased by Agnico Mines Limited for investment only and not with a view to resale or distribution and acting on behalf of its client Temple Growth Fund Limited agreed to purchase a further 150,000 shares in the capital of Eagle Gold Mines Limited at the price of \$1.30 per share, and Draper, Dobie & Company Limited, acting on behalf of its client Agnico Mines Limited, agreed to purchase a further 100,000 shares in the capital of Eagle Gold Mines Limited at the price of \$1.30 per share, such shares being purchased by Agnico Mines Limited for investment only and not with a view to resale or distribution, and acting on behalf of its client Jakmin Investments Limited agreed to purchase a further 300,000 shares at the price of \$1.30 per share, and E.T. Lynch & Co. Ltd., acting on behalf of its client Temple Growth Fund Limited, agreed to purchase a further 100,000 shares at a price of \$1.30 per share. All of such purchase prices are to be payable within ten (10) clear days of the date of either the date of acceptance by the Canadian Stock Exchange of notice of such Agreement, the date of acceptance by the Toronto Stock Exchange of a Filing Statement respecting such Agreement or the date of acceptance for filing of an amendment to the Prospectus of Eagle Gold Mines Limited dated the 26th day of April, 1966 by the governmental authority of the Province of Quebec having jurisdiction over the sale of shares to the public, whichever date is last in point of time. The only person having a greater than five per cent (5%) interest in Jakmin Investments Limited and Temple Growth Fund Limited is Paul Penna aforementioned.



FINANCIAL STATEMENTS

AGNICO MINES LIMITED  
(Incorporated Under the laws of Ontario)

BALANCE SHEET

AS AT SEPTEMBER 30, 1967

A S S E T S

L I A B I L I T I E S

Current Assets			
Cash	\$	28,480	\$ 103,266
Smelter Settlements outstanding at estimated net realizable value			17,188
Concentrates on hand, at estimated net realizable value		417,520	<u>9,333</u>
Marketable securities at cost (market value \$124,900)		14,607	
Accounts receivable		96,963	
Mortgage loan receivable - 8.25% (Note 4)		8,646	
Special refundable tax recoverable		60,000	
Supplies - at average cost		5,752	
Prepaid expenses		28,477	
		<u>21,003</u>	<u>\$ 2,380,677</u>
Deposits			
Power contracts		681,448	
			<u>967,033</u>
		20,775	1,413,644

A

Investments In Wholly Owned Subsidiary Companies, at nominal value (Note 1)

2

Fixed Assets			
Buildings, machinery and equipment (Note 2)	\$	2,017,192	
Less: Accumulated depreciation		<u>1,575,500</u>	
	\$	441,692	
Mining properties (Note 3)		<u>341,061</u>	
		782,753	
Deferred Expenditures, Less Amortization			
Operating	\$	9,253	
Development		<u>49,200</u>	
		58,453	
			<u>\$ 1,543,431</u>

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS:

Paul Berna  
Director

John G. Ashcroft  
Director



AGNICO MINES LIMITED

STATEMENT OF INCOME

FOR THE PERIOD JANUARY 1, 1967 TO SEPTEMBER 30, 1967

<u>Revenue</u>		
Production of metals	\$ 781,283	
Less: Marketing expenses	<u>53,074</u>	\$ 728,209
Royalty income		<u>8,941</u>
		\$ 737,150
<u>Operating Expenses</u>		
Mining and development	\$ 391,360	
Milling	167,954	
Transportation of ore	15,939	
Administration	<u>43,992</u>	
	\$ 619,245	
Less: Sundry income	<u>12,377</u>	606,867
<u>INCOME BEFORE UNDERNOTED ITEMS</u>		\$ 130,283
Depreciation	\$ 54,768	
Amortization of deferred development expenditures	29,520	
Outside exploration	<u>45,924</u>	<u>130,212</u>
<u>NET INCOME FOR PERIOD</u>		<u>\$ 71</u>

STATEMENT OF DEFICIT

FOR THE PERIOD JANUARY 1, 1967 TO SEPTEMBER 30, 1967

Deficit - January 1, 1967	\$ 967,104
Net income for period	<u>71</u>
Deficit - September 30, 1967	<u>\$ 967,033</u>

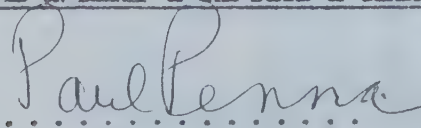
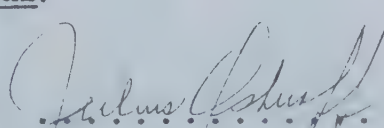
AGNICO MINES LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE PERIOD JANUARY 1, 1967 TO SEPTEMBER 30, 1967

<u>Funds Made Available By Operations:</u>		
Net income for period		\$ 71
<u>Expenses Which Do Not Involve an Outlay of Funds</u>		
Depreciation	\$ 54,768	
Amortization of deferred development expenditures	<u>29,520</u>	84,288
Reduction in Deposits		<u>5,213</u>
		\$ 89,572
<u>Funds Applied</u>		
Additions to fixed assets	\$ 55,893	
Deferred expenditures	<u>1,522</u>	
		\$ 57,415
<u>Increase in Working Capital</u>		\$ 32,157
Working capital at beginning of period		<u>519,504</u>
Working capital at end of period		<u>\$ 551,661</u>
Current Assets	\$ 681,448	
Current Liabilities	<u>129,787</u>	
		<u>\$ 551,661</u>

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS:


  
 .....  
 Director Director



AGNICO MINES LIMITED

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 1967

1. Subsidiary Companies

The accounts of the subsidiaries, Cobalt Properties Limited and Medusa Mines Limited, have not been consolidated herein because the companies are inactive.

2. Buildings, Machinery and Equipment

Buildings, machinery and equipment are valued on the basis of an appraisal made by Dominion Appraisal Company Limited on May 8, 1953, with subsequent additions at cost.

3. Mining Properties

Mining properties acquired at the time of incorporation of the company are carried at a nominal value of \$1.00. Subsequent additions are at cost.

4. Mortgage Loan Receivable

Pursuant to a loan agreement dated September 18, 1967 the company agreed to loan and advance to Eagle Gold Mines Limited up to, but not in excess of \$250,000 repayable on demand together with interest at 8.25% and that such loan or loans be secured by a commercial pledge on the mining machinery and equipment of Eagle Gold Mines Limited. As at September 30, 1967 the company had advanced \$60,000 under the terms of this agreement. On October 16, 1967 the company advanced a further \$150,000 under the terms of this agreement.

AGNICO MINES LIMITED

Statement of Material Changes since  
Statement of Source and Application  
of Funds as of September 30, 1967

There have been no material changes in the financial position of the Company subsequent to September 30, 1967 up to and including the date of the Filing Statement herein other than expenditures in the ordinary course of the Company's business and the receipt by the Company of the proceeds from the sale of securities referred to in Item 17 of the Filing Statement.

Approved on behalf of the board of directors.

Paul Penne Director Julius Schreff Director



EAGLE GOLD MINES LIMITED  
(Incorporated Under the Laws of the Province of Ontario)

BALANCE SHEET  
AS AT SEPTEMBER 30, 1967  
LIABILITIES AND SHAREHOLDERS' EQUITY

A S S E T S

<u>Current Assets</u>					
Cash	\$	13,473.82			\$ 263,641.06
Accounts receivable		3,387.09			34,706.08
Supplies - at average cost	\$	23,442.66	\$	40,303.57	60,000.00
					<u>\$ 358,347.14</u>
<u>Fixed Assets - (at cost)</u>					
Buildings, equipment, road and construction in progress			924,060.62		
- (as per Schedule A)					
<u>Mining Claims and Properties</u>					
For cash	\$	29,500.00			
For 43,250 shares		10,893.00		40,393.00	
<u>Deferred -</u>					
- development expenses (as per Schedule B)	\$	1,401,654.65			\$ 3,189,252.00
- administrative and general expenses					1,282,228.91
(as per Schedule C)		163,352.36			<u>\$ 1,907,023.09</u>
<u>Other Assets</u>					
Investment in shares of mining company			1,565,007.01		
(at nominal value)					1,000,000.00
Organization expense	\$	1.00			75,000.00
Deposit with Quebec Hydro		7,109.60			
		18,300.00		25,410.60	\$ 2,982,023.09
					<u>(745,195.43)</u>
					<u>2,236,827.66</u>
					<u>\$ 2,595,174.80</u>
<u>Current Liabilities</u>					
Accounts payable and accrued charges					\$ 263,641.06
Contractors' holdbacks payable					34,706.08
Mortgage loan payable - 8.25% (Note)					60,000.00
					<u>\$ 358,347.14</u>
<u>Shareholders' Equity</u>					
<u>Capital Stock</u>					
Authorized			6,000,000 shares of \$1.00 each		
Issued and Fully Paid					
On reorganization of capital stock on					
February 8, 1967 - 3,189,252 shares					\$ 3,189,252.00
Less: Discount					1,282,228.91
					<u>\$ 1,907,023.09</u>
<u>Issued During Period</u>					
For cash -				1,000,000 shares	1,000,000.00
Add: Premium					75,000.00
				4,189,252 shares	\$ 2,982,023.09
<u>Deficit (no change during period)</u>					<u>(745,195.43)</u>
					<u>2,236,827.66</u>
					<u>\$ 2,595,174.80</u>

NOTE: Pursuant to a loan agreement dated September 18, 1967, Agnico Mines Limited agreed to loan and advance to the company up to, but not in excess of \$250,000.00 repayable on demand together with interest at 8.25% and that such loan or loans be secured by a commercial pledge on the mining machinery and equipment of the company. As at September 30, 1967 the company had received \$60,000.00 under the terms of this agreement. On October 16, 1967 the company received a further \$150,000.00 under the terms of this agreement.

APPROVED ON BEHALF OF THE BOARD OF DIRECTORS:

*Paul Bernier*  
.....  
Director

*John J. Doherty*  
.....  
Director



EAGLE GOLD MINES LIMITED

STATEMENT OF BUILDINGS, EQUIPMENT, ROAD AND CONSTRUCTION IN PROGRESS

FOR THE PERIOD FROM JANUARY 1, 1967 TO SEPTEMBER 30, 1967

Joutel Group II

<u>Buildings</u> - Head frame	\$ 108,013.42	
Other buildings	50,823.21	
Hoist building	22,762.88	
Service building	38,079.57	
Bin house	63,263.30	
Shaft house	24,503.80	\$ 307,446.18
<u>Equipment</u> - Hoist	\$ 189,200.56	
Compressors	63,621.95	
Sundry equipment	33,232.28	
Electrical installation	67,175.15	
Trailer	7,426.12	
Automotive equipment	7,868.80	368,524.86
<u>Road</u>		248,089.58
		<u>\$ 924,060.62</u>

EAGLE GOLD MINES LIMITED

STATEMENT OF DEFERRED DEVELOPMENT EXPENSES

FOR THE PERIOD FROM JANUARY 1, 1967 TO SEPTEMBER 30, 1967

Joutel Township - Group II

Engineers' fees and expenses	\$ 70,503.05	
Consultants fees and expenses	9,178.90	
Camp supplies and expenses	59,631.82	
Shaft sinking	273,492.99	
Drilling	16,417.75	
Metallurgical expenses	4,073.80	
Wages and salaries	45,666.27	
Rental of equipment	14,953.81	\$ 493,918.39

Joutel Township - Group IV

Drilling	\$ 4,914.50	
Electromagnetic survey	4,390.00	9,304.50

McCaul Township

Licenses, fees and taxes	16.00	\$ 503,238.89
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Balance Deferred as at December 31, 1966

898,415.76

Total Deferred Development Expenses

\$ 1,401,654.65

EAGLE GOLD MINES LIMITED

STATEMENT OF DEFERRED ADMINISTRATIVE AND GENERAL EXPENSES

FOR THE PERIOD FROM JANUARY 1, 1967 TO SEPTEMBER 30, 1967

Directors' fees	\$ 800.00	
Shareholders' information and meetings	11,212.24	
Listing and filing fees and expenses	262.68	
Miscellaneous office expenses	1,104.31	
Transfer agents' fees and expenses	5,550.58	
Legal and audit	24,816.99	
Share certificate expense	1,837.50	
Executive officer's salary	4,500.00	
Bank charges and interest	2,798.38	
Head office services	4,500.00	
	\$ 57,362.68	
<u>Less: Interest income</u>	<u>490.90</u>	<u>\$ 56,891.78</u>
<u>Balance Deferred as at December 31, 1966</u>		<u>106,460.58</u>
<u>Total Deferred Administrative and General Expenses</u>		<u>\$ 163,352.36</u>



EAGLE GOLD MINES LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE PERIOD FROM JANUARY 1, 1967 TO SEPTEMBER 30, 1967

Working Capital as at January 1, 1967

\$ 103,735.29

SOURCE OF FUNDS

Sale of capital stock	\$ 1,000,000.00
Premium on sale of capital stock	75,000.00
Advances - contractor	<u>5,712.43</u>
	\$ 1,080,712.43

APPLICATION OF FUNDS

Buildings, equipment, road and construction in progress	\$ 924,060.62
Development expenses	503,238.89
Administrative expenses	56,891.78
Deposit - Quebec Hydro	<u>18,300.00</u>
	<u>1,502,491.29</u>


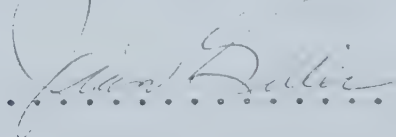
Decrease in Working Capital

421,778.86

Working Capital Deficit - September 30, 1967

\$ 318,043.57

APPROVED ON BEHALF OF THE BOARD:

  
..... Director  
  
..... Director

EAGLE GOLD MINES LIMITED

Statement of Material Changes since  
Statement of Source and Application  
of Funds as of September 30, 1967

There have been no material changes in the financial position of the Company subsequent to September 30, 1967 up to and including the date of the Filing Statement herein except for expenditures in the ordinary course of the Company's business relating to the development of the Joutel Township, P.Q. Group II property of the Company.

Approved on behalf of the board of directors.

 Director  Director



# ENGINEER'S REPORT

REPORT ON

EAGLE GOLD MINES LIMITED

Joutel Township, Quebec

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## INTRODUCTION

This report on Eagle Gold Mines Limited outlines briefly the work accomplished to date on the property since the start of road construction in December, 1966. It is recommended that the writer's reports dated January 16, 1967 and June 6, 1967 be read in conjunction with this report.

## ACCESS ROAD

This road, approximately 17,000 feet in length, has been completed to specifications of the Quebec Department of National Resources.

## POWER AND TELEPHONE LINES

Approximately 17,000 feet of first class Hydro line has been installed and is being serviced and operated by Eagle Gold Mines Limited. A telephone line has been installed and five telephones are in use at the property.

## TEMPORARY OFFICE BUILDING

Two small buildings were moved from the old campsite and joined together to form a small office for Timekeeping and Accounting, Engineering and the Mine Manager.

## OVERBURDEN DRILLING

The relative locations of the top of overburden and bedrock were determined by drilling covering an area of 420,000 square feet. Using this data, locations of the shaft collar, hoist base, etc., were chosen.

## SHAFT COLLAR

Seven and one-half feet of overburden was removed. Rock excavation was carried to a depth of 38.0 feet, timber was installed and a reinforced concrete collar was poured.

## HEADFRAME

A three compartment wooden headframe with 2" T & G sheeting was erected and an outside metal cladding applied. The sheave house supporting saddle is of steel construction. Height of headframe from the top of the shaft collar to the center line of the sheaves is 112.0 feet.

Compartments - 2 only 6'0" x 6'0" cage & skipway  
1 only 6'0" x 4'6" manway.

## SHAFT HOUSE

A 55-foot by 55-foot shaft house of the same construction as the headframe has been built.

## BIN HOUSE

A 32-foot by 42-foot bin house of the same construction as the headframe has been built and two steel bins erected in it:

Waste Bin	14' x 21'
Capacity	160 Tons
Ore Bin	21' x 36'
Capacity	620 Tons

## ELECTRICAL SUBSTATION

The electrical substation was completed and Quebec Hydro energized the power line early in the month of June, 1967.



#### SERVICE BUILDING

This is a steel building 30' x 150' divided into six bays each 25' x 30'. It is metal clad inside and out with fibreglass insulation (2") in between. It has concrete floors throughout.

A description of the various bays and the equipment installed in them is as follows:

1. One 8-foot diameter, double drum hoist powered by two 350 H.P., 60 cycle, 3 phase 550 Volt motors.
2. One only 1,000 cfm compressor complete with aftercooler, receiver and 200 H.P. motor.
3. One only 1,500 cfm compressor with receiver and 300 H.P. motor. An aftercooler is on order.
4. This bay houses a small Mine dry equipped with a Bradley Wash Basin, showers, toilets, lockers and hangers. A lower storey under this bay houses the heating boiler.
5. One only bay for electrical panels.
6. One only bay for stores.

#### PUMPING INSTALLATION

This installation consists of a 10' x 10' insulated wood frame building housing two pumps each with a capacity of 60 U.S.G.P.M. at 166' head. The pumps are each powered by 7½ H.P. motors.

A 24-inch suction line projects sixty feet into the river and is protected on the upstream side by an earth levee.

Pipe boxes from the pumphouse to the service building and shafthouse contain two four-inch water supply lines. All pipelines are insulated with wood shavings.

#### TAILINGS DISPOSAL

A right of way twenty feet wide and 2,100 feet long has been cleared to the nearest part of a future tailings disposal area. A circle 4,000 feet in circumference has been cleared to receive rock to form the base of the dam walls. Waste rock from shaft sinking and development work will be used in this work.

#### MANAGER'S RESIDENCE

One lot was purchased in the Townsite of Joutel and a two storey, seven room house with attached garage was erected for the Mine Manager.

An option has been taken on 16 other lots in the same block as the Manager's residence for future housing construction.

#### TRAILER

One only trailer 12' x 56' complete with 110 - 220 volt electric service and basic furnishings was purchased and at present is the home of the Chief Engineer and his family in Joutel Townsite.

#### SHAFT

Three vertical diamond drill holes were drilled on the shaft site for a total of 1,400 feet to test the rock structure and water conditions.

The 3-compartment shaft is being sunk to a depth of approximately 1,750 feet with stations at 150 foot intervals.

At time of writing, the shaft progress is as follows:

Depth of Shaft Bottom (Shaft Collar = 0')	570 feet
Number of Stations Excavated	3
Lip Pocket Excavations	3
Cubic feet of Station Excavation	27,676



## CONCLUSION

The writer's report dated January 16, 1967 outlined a proposed programme for this property, the main items of which were:

1. Installation of a mining plant.
2. The sinking of a 3-compartment production-size shaft to a depth of at least 1,700 feet.
3. Full development of the mineralized zone on 3 levels.

Expenditures to September 30, 1967 in connection with the implementation of this phase of the property's development amount to \$1,493,170.79.

It was originally estimated that this phase of the property's development would cost up to \$2,000,000. However, more permanent structures and larger and more equipment have been installed than originally contemplated. This will be greatly to the company's advantage in future operations. The total cost of this phase will exceed \$2,000,000, the final amount being dependent on the amount of pre-production underground work done in excess of the original recommendation before placing the property in production.



WALTER F. BROWN, B.Sc., P. Eng.

Toronto, Ontario  
October 19, 1967

## C E R T I F I C A T E

I, WALTER F. BROWN, of the City of Toronto in the Province of Ontario, Canada, do hereby certify that:

1. I am a Mining Engineer residing at 24 Truman Road, Willowdale, Ontario, with office at Suite 1502, 320 Bay Street, Toronto, Ontario.
2. I am a graduate of McGill University, with the degree of Bachelor of Science in Mining Engineering (1929)
3. I am a member of the Association of Professional Engineers of Ontario and have been practising my profession continuously since graduation.
4. I have no personal interest, either directly or indirectly in the properties or securities of Eagle Gold Mines Limited.
5. This report on Eagle Gold Mines Limited property in Joutel Township, Province of Quebec is based on personal knowledge involving consultation and overall supervision of the work in progress.



WALTER F. BROWN, B.Sc., P. Eng.

Toronto, Ontario  
October 19, 1967.



18. Brief statement of any lawsuits pending or in process against company or its properties.	None.
19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.	<p>Pursuant to an Agreement made the 21st day of February, 1967 between Dr. Charles Bende and Irma Bende (hereinafter called "Bende"), and the Company as amended by a further Agreement made the 5th day of June, 1967 the Company purchased from Bende certain tailings containing silver, located on certain mining lands located in Coleman Township, District of Temiskaming upon payment by the Company to Bende of the sum of \$12,500.00 and the payment on the 30th day following the 31st day of December in each of the years 1969, 1970, 1971, 1972 and 1973 of an amount equal to 10% of the net proceeds (as therein defined) received by the Company in each of such years from the sale of saleable minerals recovered from such tailings at the tailing reclamation plant of the Company at Cobalt, Ontario.</p> <p>The Agreement further provides that the removal of such tailings from the lands of Bende must be commenced not later than October 1, 1969 and be completely removed therefrom not later than October 1, 1973. The Company may terminate the Agreement at any time on three (3) months prior written notice subject to Bende being entitled to retain all sums paid to them by the Company prior to such termination.</p> <p>Pursuant to a Loan Agreement dated September 18, 1967 made between Agnico Mines Limited as lender and Eagle Gold Mines Limited as borrower, Agnico Mines Limited agreed to loan to Eagle Gold Mines Limited up to but not in excess of \$250,000.00 repayable on demand together with interest at Eight and One-quarter, per cent (8-1/4%) per annum and Eagle Gold Mines Limited further agreed to execute and deliver to Agnico Mines Limited, as security for such loan, a commercial pledge pursuant to the provisions of the Quebec Civil Code of certain of its mining machinery and equipment owned free and clear of encumbrance and located at or on the mining properties of Eagle Gold Mines Limited at Joutel, P.Q. As of the date hereof the aggregate sum of \$210,000.00 has been advanced to Eagle Gold Mines Limited under the said Loan Agreement. Upon the completion of the purchase by the Company of the 200,000 treasury shares of Eagle Gold Mines Limited, as more particularly referred to in Schedule "A" hereto, the balance outstanding under the said loan will be repaid.</p>
20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.	See Schedule "A" annexed hereto. There are no other material facts. NO shares of the Company are in the course of primary distribution to the public.

DATED November 12, 1967

CERTIFICATE OF THE COMPANY

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

AGNICO MINES LIMITED

"P. Penna" per  
"B. Kraft"

*Paul Penna - V.P.* CORPORATE SEAL  
*B. Kraft*

CERTIFICATE OF UNDERWRITER OR OPTIONEE

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)





# AGNICO MINES LIMITED

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## ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual meeting of the shareholders of Agnico Mines Limited (the "Company") will be held at Room No. 3, Main Mezzanine Floor, Royal York Hotel, 100 Front Street West, Toronto, Ontario on Tuesday, the 30th day of June, 1970 at the hour of 9:30 in the forenoon (Eastern Daylight Saving Time) for the following purposes:

- (1) To receive and consider the financial statements of the Company as at December 31, 1969, together with the report of the auditors thereon;
- (2) To elect directors;
- (3) To appoint auditors; and
- (4) To transact such further and other business as may properly come before the meeting or any adjournment or adjournments thereof.

DATED the 12th day of June, 1970.

By Order of the Board,

JEAN GELLER,  
Secretary-Treasurer.

Shareholders who are unable to attend the meeting in person are requested to complete, date, sign and return the enclosed instrument of proxy.



# AGNICO MINES LIMITED

## INFORMATION CIRCULAR

This Information Circular is furnished in connection with the solicitation by the management of Agnico Mines Limited (the "Company") of proxies to be voted at the annual meeting of the shareholders of the Company called for the purposes set forth in the accompanying notice of meeting and to be held at Room No. 3, Main Mezzanine Floor, Royal York Hotel, 100 Front Street West, Toronto, Ontario on June 30, 1970, and at any adjournment or adjournments thereof. Solicitation will be by mail, possibly supplemented by telephone or other personal contact by the directors of the Company. The cost of such solicitation will be borne by the Company.

## REVOCATION OF PROXY

A shareholder executing the accompanying instrument of proxy has the power to revoke it at any time before it is exercised by giving notice in writing of such revocation to the Secretary-Treasurer of the Company or to the Chairman of the meeting.

## VOTING SHARES

The authorized capital of the Company consists of 5,000,000 shares with a par value of \$1.00 each of which 3,434,327 shares are presently outstanding. Shareholders of record at the time of the meeting are entitled to one vote for each share held.

To the knowledge of the directors and senior officers of the Company no person or corporation beneficially owns, directly or indirectly, more than 10% of the outstanding shares of the Company.

## ELECTION OF DIRECTORS

It is proposed that the following persons will be nominated for election as directors of the Company. The following is information concerning the proposed nominees for election as directors. Information as to shares beneficially owned, not being within the knowledge of the Company, has been furnished by the respective directors individually. In the event that any vacancies occur in the proposed slate of nominees listed below prior to the annual meeting of shareholders, it is intended to exercise the discretionary authority conferred by the accompanying instrument of proxy to vote for the election of any other person or persons as directors. Management is not presently aware that any of such nominees would be unwilling to serve as a director if elected.

Name	Other Positions and Offices Presently Held in the Company	Period in Which Nominee has Served as Director of the Company	No. of Shares of the Company Beneficially Owned	Principal Occupation at Present and During Past 5 Years
*Norman B. Sheriff	President	Since July 15, 1963.	5,101	Prospector.
*Paul Penna	Vice-President and Managing Director	Since July 15, 1963.	1,501	Executive, Jakmin Investments Limited.
John L. Vorbach, Jr.	None	Since July 15, 1963.	1,001	President, John L. Vorbach Inc.



<u>Name</u>	<u>Other Positions and Offices Presently Held in the Company</u>	<u>Period in Which Nominee has Served as Director of the Company</u>	<u>No. of Shares of the Company Beneficially Owned</u>	<u>Principal Occupation at Present and During Past 5 Years</u>
*Samuel Geller	None	Since January 30, 1968.	501	President, College Girls Coats Company Limited (until March 1968); Proprietor, Mayle's Mens & Boys Wear (March 1968 to date).
A. Basen	None	Since April 27, 1967.	501	Executive, American Louver of Canada Limited.
W. L. Hogarth, Jr.	None	Since January 30, 1968.	501	Executive, Associated Arcadia Nickel Corporation Limited.

\* The nominees beside whose names an asterisk appears will be nominated to hold office for a term of two years from the date of their election or until the second annual meeting after such date, whichever later occurs, and the remaining nominees will be nominated to hold office for a term of one year from the date of their election or until the first annual meeting after such date, whichever later occurs.

Jakmin Investments Limited is engaged in the securities business as an underwriter and investment company.

John L. Vorbach Inc. carries on business as an insurance broker.

College Girls Coats Company Limited is no longer in business.

Mayle's Mens & Boys Wear is a retail clothing store.

American Louver of Canada Limited is engaged in the manufacture of plastic ceiling louvers.

Associated Arcadia Nickel Corporation Limited is a mining company.

### **REMUNERATION OF MANAGEMENT**

The aggregate direct remuneration paid or payable to the directors and senior officers of the Company, as such, during the financial year of the Company ended December 31, 1969 was \$70,663.

Jakmin Investments Limited provides head office, accounting and secretarial service to the Company at a fee of \$600 per month. For the financial year of the Company ended December 31, 1969 the fee for these services amounted to \$7,200. Mr. Paul Penna is the principal shareholder of Jakmin Investments Limited.

### **INTEREST OF MANAGEMENT**

Eagle Gold Mines Limited ("Eagle"), a company having a gold mining property in the Joutel area of the Province of Quebec, has recently decided to defer bringing its property into production in view of increased cost estimates and the currently existing market price for gold. Eagle has discontinued construction of its required mining facilities and has negotiated settlement of the amounts due to its suppliers. To fund such settlements and the care and maintenance of its property, Eagle has arranged the debt financing referred to below in the amount of \$800,000 and further equity financing by way of private placement of treasury shares in the additional sum of approximately \$250,000. Eagle intends to effect a shut down of its mine and secure its existing plant and facilities until such time as economic conditions warrant the continuance of its programme to bring the mine into production.

The Company has provided the above mentioned sum of \$800,000 by purchasing securities of Eagle consisting of \$800,000 principal amount of debentures accompanied by warrants to purchase 800,000 shares of Eagle. The total cost of these securities was \$800,000. The debentures have a term of five years, bear interest at a rate of 1½% above a Canadian chartered bank prime interest rate in effect from time to time and are secured by a first charge of all real and immovable property of Eagle. The Warrants have a term of five years and are exercisable at \$1. per share for the first three years and at \$1.50 per share for the remaining two years. Warrants to purchase 155,000 of the said 800,000 shares have been issued subject to the authorized capital of Eagle being increased. The Company has agreed at the request of the Canadian Stock Exchange that it will not exercise the Warrants for a period of six months from June 1, 1970.



Pending receipt by Eagle of the proceeds of the above noted equity financing the directors of the Company have authorized an unsecured demand loan by the Company to Eagle in an amount up to \$150,000 at an interest rate of 1% above a Canadian chartered bank prime interest rate in effect from time to time. \$103,000 of such loan has been advanced to Eagle.

Mr. Paul Penna, 50 Godfrey's Lane, Port Credit, Ontario, a director and officer of the company, is a shareholder, director and President of Eagle. Mr. A. Basen, 29 Hilltop Road, Toronto, Ontario, a director of the Company, is a shareholder and director of Eagle. Mrs. Jean Geller, 20 Hilltop Road, Toronto, Ontario, the Secretary-Treasurer of the Company, is also a shareholder, director and Secretary-Treasurer of Eagle. The shareholdings of each of the aforesaid persons in Eagle are nominal.

#### **APPOINTMENT OF AUDITORS**

Action is to be taken at the meeting with respect to the appointment of the firm of Starkman, Kraft, Rothman, Berger & Grill as the auditors of the Company.

#### **GENERAL INFORMATION**

Information contained herein is given as of June 8, 1970. Management knows of no matters to come before the annual meeting of shareholders other than the matters set forth in the enclosed notice of meeting. Receipt at the meeting of the financial statements of the Company as at December 31, 1969 and the report of the auditors thereon will not constitute approval or disapproval of such financial statements and report.

June 8, 1970.